

Arzan Financial Group

Monthly Report

Kuwait Boursa Performance

For the month ended on 28 February 2018





Content

Section Name	Page Number
Kuwait Boursa Performance Analysis	3
Kuwait Boursa Sector Indices	5
Top gainers and losers	6

To run the report content,
please contact the
administrators

Alaa Alatilie
Portfolio Analyst
Assets Management
Tel: +965 222 03033
A.Alatilie@arzan.com.kw

Kuwait Boursa Performance Analysis

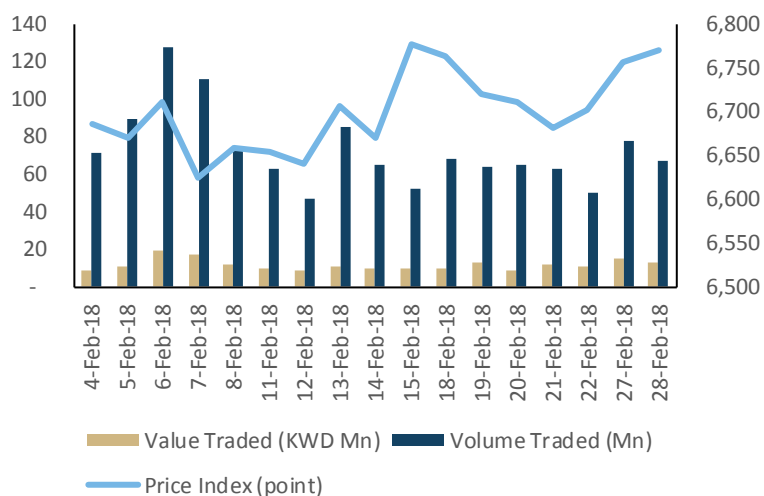
Market Indices				
	28-Dec-17	28-Feb-18	%Chg MTD	% Chg YTD
Kuwait Price Index	6,408	6,773	1.3% ▲	5.7% ▲
Kuwait Wieghted Index	401	414	0.5% ▲	3.1% ▲
Kuwait 15	915	958	1.8% ▲	4.7% ▲

Note: Percentage change from the end of January 2018

Highest and lowest indices level				
	During the Peiord		Beg. of 2018	
	High	Low	High	Low
Kuwait Price Index	6,777	6,624	6,777	6,313
Kuwait Weighted Index	413	407	420	400
Kuwait 15	955	930	972	913

Market Indicators			
	28-Feb-18	%Chg MTD	
Market Cap KWD	35,032,424,836	0.7% ▲	
Daily average volume traded (shares / day)	73,122,393	-38.4% ▼	
Daily average value traded (KWD/day)	11,514,299	-21.6% ▼	

Note: Percentage change from the end of January 2018



The Kuwait Market has continued its positive performance in this year as all the market indices closed for the second consecutive month in the green zone. Kuwait Boursa indices showed during February an increase in all the market indices (KWSE – KWSEW – KW15) by 1.3%, 0.5% and 1.8%, respectively.

However, the liquidity indicators showed a decline during the February 2018 mainly due to lower number of trading days in February compared to the previous month. Accordingly, average daily traded volume dropped by 38.4% to reach 73.1 million shares compared to the previous month. Additionally, the average daily value traded went down by 21.6% to KD 11.5 million during the month compared to KD 14.7 million in the previous month.

The performance of the Kuwait 15 index's components were mixed in February as Burgan bank topped the decliners due to lower net profit announcement in 2017 compared to investor's expectation, followed by agility with modest decline of 2.1%. On the other hand, the best performing stocks during February 2018 accounted for CBK, GBK, and NBK with an increase of 13.3%, 5.2%, and 4.1% respectively.

The Kuwaiti companies continued to announce its net profit of 2018 during February 2018. Not more than 41% of the listed companies in Kuwait Boursa have announced its results during the first two months of 2018. This could be one of the main reason for lower liquidity as investors will not trade in such companies due to fear of stopping the stock from trading as a result of the failure to announce the results of 2017 during the period allowed to the end of next month

Last 12 Months Kuwait Indices Performance

Kuwait Price Index Movement LTM			
Month	Index (point)	Point Change	%Chg
Mar-17	7,029.4	246.4	3.6%
Apr-17	6,843.0	(186.4)	-2.7%
May-17	6,785.4	(57.6)	-0.8%
Jun-17	6,762.8	(22.6)	-0.3%
Jul-17	6,851.6	88.8	1.3%
Aug-17	6,892.1	40.5	0.6%
Sep-17	6,679.7	(212.4)	-3.1%
Oct-17	6,513.8	(165.9)	-2.5%
Nov-17	6,196.5	(317.3)	-4.9%
Dec-17	6,408.0	211.5	3.4%
Jan-18	6,687.8	279.8	4.4%
Feb-18	6,772.8	85.0	1.3%

Kuwait Weighted Index Movement LTM			
Month	Index (point)	Point Change	%Chg
Mar-17	413.3	(10.8)	-2.5%
Apr-17	408.3	(5.0)	-1.2%
May-17	404.5	(3.9)	-0.9%
Jun-17	399.3	(5.1)	-1.3%
Jul-17	413.3	14.0	3.5%
Aug-17	430.6	17.3	4.2%
Sep-17	430.7	0.1	0.0%
Oct-17	419.9	(10.8)	-2.5%
Nov-17	398.8	(21.1)	-5.0%
Dec-17	401.4	2.6	0.7%
Jan-18	412.0	10.6	2.6%
Feb-18	414.0	2.0	0.5%

LTM: last twelve months

Kuwait Bursa Monthly Value Traded			
Month	Value (KWD '000)	Chg (KWD '000)	%Chg
Mar-17	200,893.4	(100,957.7)	-33.4%
Apr-17	148,539.3	(52,354.1)	-26.1%
May-17	128,305.2	(20,234.1)	-13.6%
Jun-17	87,432.8	(40,872.5)	-31.9%
Jul-17	139,913.1	52,480.3	60.0%
Aug-17	121,539.8	(18,373.3)	-13.1%
Sep-17	250,590.7	129,050.9	106.2%
Oct-17	291,895.8	41,305.0	16.5%
Nov-17	216,642.5	(75,253.3)	-25.8%
Dec-17	119,857.3	(96,785.1)	-44.7%
Jan-18	157,291.6	37,434.2	31.2%
Feb-18	113,881.6	(43,410.0)	-27.6%

Kuwait Bursa Monthly Volume Traded			
Month	(Volume '000)	(Chg '000)	%Chg
Mar-17	420,040.2	(227,571.2)	-35.1%
Apr-17	326,933.5	(93,106.8)	-22.2%
May-17	265,965.5	(60,967.9)	-18.6%
Jun-17	152,031.4	(113,934.1)	-42.8%
Jul-17	239,736.4	87,705.0	57.7%
Aug-17	204,588.0	(35,148.4)	-14.7%
Sep-17	468,976.4	264,388.4	129.2%
Oct-17	569,968.0	100,991.6	21.5%
Nov-17	384,785.5	(185,182.5)	-32.5%
Dec-17	233,235.0	(151,550.5)	-39.4%
Jan-18	275,885.7	42,650.7	18.3%
Feb-18	207,535.2	(68,350.5)	-24.8%

LTM: last twelve months

- The Kuwait Price Index ended the second month of 2018 in the green zone with monthly increase of 1.3% and YTD of 5.7% to close at a level of 6773 points.
- The weighted index for the Kuwaiti market had a modest growth in February 2018 by 0.5% M-o-M to close at 414 points. Additionally the Weighted Index has a YTD of 3.1% in 2018.
- Trading activities for Kuwait Bursa both value and volume traded had dropped significantly during the second month of 2018 by 27.6% and 24.8%, respectively. The monthly value traded reached KWD 113.9 million compared to the previous month while the monthly volume traded reached 207.5 million shares compared to 275.9 million shares in January 2018.
- The average monthly traded value went down during the month of February 2018 by 21.6% to reach Average Daily Traded Value of KWD 11.5 million compared to KWD 14.7 million in December 2018.

Kuwait Boursa Sectors' Indices Performance

Market sector Indices

Sector	Index			Price to Earning	Price to Book Value	Dividend Yield	ROE %
	28-Feb-2018	Pct Change %					
Oil and Gas	968.4	-2.8%	▼	218.8	0.8	0.0%	0.4%
Basic materials	1,314.4	0.9%	▲	17.7	1.2	3.8%	6.6%
Industrials	1,845.0	-1.3%	▼	16.0	1.1	0.7%	7.2%
Consumer goods	816.1	-0.6%	▼	10.7	1.7	1.3%	15.5%
Health care	1,391.8	-10.3%	▼	21.2	2.5	0.0%	11.6%
Consumer services	863.2	-2.1%	▼	30.1	1.3	2.5%	4.2%
Telecom	552.6	-4.1%	▼	12.7	1.3	0.5%	10.2%
Banking	933.1	-2.3%	▼	14.6	1.4	0.2%	9.6%
Insurance	1,033.2	0.0%	▼	10.7	0.9	0.4%	8.6%
Real estate	1,190.0	11.9%	▲	17.8	0.8	0.9%	4.2%
Financial services	621.8	-3.6%	▼	17.8	0.7	1.4%	3.8%
Technology	542.3	16.4%	▲	11.8	1.0	0.0%	8.6%

Note: Percentage change from the end of January 2018

Market Indices activities

Sector	Value			Volume		
	28-Feb-2018	Pct Change %		28-Feb-2018	Pct Change %	
Oil and Gas	927,436	-65.9%	▼	12,970,687	-80.7%	▼
Basic materials	4,659,263	-35.0%	▼	9,426,925	-40.5%	▼
Industrials	46,162,600	0.0%	↔	118,617,781	-63.1%	▼
Consumer goods	1,490,259	-63.2%	▼	4,767,372	-66.5%	▼
Health care	#N/A	#N/A	→	701,322	766.8%	▲
Consumer services	3,440,312	-61.7%	▼	26,087,101	-67.0%	▼
Telecom	17,820,030	-40.4%	▼	61,601,163	-38.3%	▼
Banking	112,362,837	-18.5%	▼	461,051,179	-27.7%	▼
Insurance	134,097	-14.2%	▼	866,545	-9.4%	▼
Real estate	18,940,400	-42.0%	▼	309,973,285	-54.7%	▼
Financial services	25,574,208	-51.8%	▼	301,733,853	-56.3%	▼
Technology	780,950	607.1%	▲	8,405,852	596.3%	▲

Note: Percentage change from the end of January 2018

Most of the sector indices among the Kuwait Boursa went down with exception for Technology, Real Estate and Basic Material with a monthly increase of 16.4%, 11.9% and 0.9%, respectively.

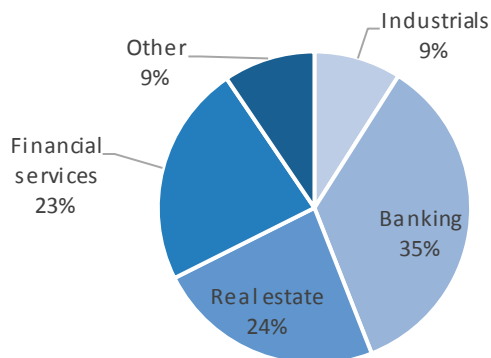
The Health Care sector topped the losers charts with a drop of 13.9% M-o-M, followed by the Telecom and the Financial Services sectors with a decline of 4.1% and 3.6% respectively.

In terms of value traded in the second month of 2018, most of the indices showed lower levels of liquidity in February compared to January 2018 with exception for Technology which value and volume levels went up by 607% and 596% in order. The Oil & Gas sector topped the losers chart with 65.9% decline followed by Consumer Services and Financial Services with 63.2%, and 51.8%.

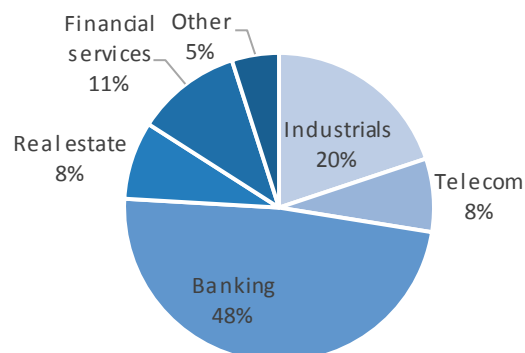
The banking sector was the most traded sector in term of value with 48% of the total value traded followed by the Industrial and Financial Services by 20% and 11%, respectively.

Banking Sector, Real Estate Sector and Financial Services Sector were the most traded sectors based on monthly volume traded during the month with a share of 35%, 24% and 23%, respectively.

Traded Volume



Traded Value



Top Gainers and Losers

Companies' Top Gainers During The Period

Company	Close (fils)	%Chg		Value (KWD)	Volume	Monthly Turnover**
		MTD				
Kuwait and Gulf Link Transport Co KPSC	111.0	19.2%		3,515,378	7,314,675	254.7%
Real Estate Trade Centers Company KPSC	32.0	10.3%		7,476	201,411	-95.6%
Gulf Cement Co PSC	83.9	8.0%		236,397	103,750	-42.1%
Al Madar Finance and Investment Co KSCP	27.9	7.3%		59,218	17,628	-70.2%
GFH Financial Group BSC	119.0	7.2%		1,115,736	5,602,616	-41.5%
KGL Logistics Company KPSC	53.8	6.7%		1,947,473	22,787,861	-10.4%
Ithmaar Holding BSC	36.9	6.6%		10,063,778	15,344,526	37.2%
National Cleaning Co KSCP	60.0	6.2%		50,374	900,030	-88.3%
Ras Al Khaimah for White Cement and Construction Materials Co PSC	86.0	6.2%		41,371	40,000	54.1%
Al Aman Investment Company KPSC	55.9	5.3%		106,213	221,686	-65.6%

Note: Percentage change from the end of January 2018

** Comparing total trading value for the current month with average last 12 months

Companies' Top Losers During The Period

Company	Close (fils)	%Chg		Value (KWD)	Volume	Monthly Turnover**
		MTD				
Al Mudon International Real Estate Co KSCP	35.5	-10.8%		25,234	136,583	-98.2%
Inovent BSC	70.0	-6.0%		750,890	2,325,850	-67.3%
Kuwait Real Estate Holding Co KPSC	28.3	-5.0%		16,072	91,043	-96.9%
National Ranges Co KPSC	17.1	-5.0%		427,314	2,136,082	-27.9%
Kuwait and Middle East Financial Investment	27.4	-4.9%		70,305	859,175	3.3%
AAN Digital Services Co KSCP	21.3	-4.1%		616,086	1,755,154	-69.9%
Kuwait Telecommunications Company KSCP	766.0	-4.0%		393,433	100,857	-64.9%
Kuwait Syrian Holding Co KSC	29.3	-3.9%		656,316	1,170,769	-39.1%
Al-Arabiya Real Estate Co KSCP	33.6	-3.7%		354,462	3,965,864	-74.7%
Kuwait National Cinema Company KPSC	1,060.0	-3.5%		291,798	5,762	185.1%

Note: Percentage change from the end of January 2018

** Comparing total trading value for the current month with average last 12 months

Top 10 Companies Traded in Terms of Value

Company	Close (fils)	%Chg		Value (KWD)	Volume	Monthly Turnover**
		MTD				
National Bank of Kuwait SAKP	771.0	0.1%		32,527,914	4,451,301	-2.5%
Kuwait Finance House KSCP	590.0	0.2%		26,835,364	4,055,948	-36.7%
Mobile Telecommunications Company I	476.0	-0.4%		16,630,412	4,974,621	-65.3%
Ahli United Bank BSC	217.0	0.5%		13,064,860	9,981,775	-25.1%
Ithmaar Holding BSC	36.9	6.6%		10,063,778	15,344,526	37.2%
Boubyan Bank KSCP	478.0	0.6%		8,914,012	350,801	87.5%
Gulf Bank KSCP	257.0	-1.5%		7,965,462	10,057,500	-15.9%
Alimtia Investment Group Co KSCP	142.0	0.0%		7,936,592	5,045,423	-69.5%
Human Soft Holding Company KSCP	3,795	3.0%		6,155,323	52,026	-35.7%
Warba Bank KSC	244.0	0.8%		6,106,340	2,572,268	25.6%

Note: Percentage change from the end of January 2018

** Comparing total trading value for the current month with average last 12 months

Kuwait and Gulf Link Transport Company was the top gainer in February 2018 with a monthly gain of 19% compared to last month's to close at 111 fils, (total trading values during the month went up by 255% compared to the average trading value of the last twelve months). Followed by Real Estate Trade Centers Company which surged by 10.3% to close the month at 32 fils (total trading values during the month dropped by 95.6% compared to the average trading value of the last twelve months).

Al Mudon International Real Estate Company topped the losers chart as it went down by 10.8% to close at 35.5 fils, followed by Inovent BSC and Kuwait Real Estate Holding Company which declined 6.0% and 5.0% during the month, closing at 70 fils and 28.3 fils respectively.

National Bank of Kuwait "NBK" was the top performer in terms of value traded during the month with a trading value of KD 32.5 million (2.5% lower than the monthly average for the last twelve months), to end the month at 771 fils. Kuwait Finance House "KFH" came next with a traded value of KD 26.9 million (36.7% lower than the monthly average for the last twelve months), to close the month's trading at 590 fils. Mobile Telecommunications Company KSCP "Zain" followed with a value of KD 16.6 million (65.3% lower than the monthly average for the last twelve months), closing at a price of 476 fils.

Disclaimer

It should be noted that this report does not constitute investment recommendations or whether investors should continue to own their investments. The report was prepared only for the purpose of viewing and should not be relied upon for any other purpose.

This report is prepared for general circulation and was sent to you as a customer for the purpose of providing general information only, it is not intended to offer or provide advice regarding the purchase or sale of any security or investment.

Although the information in this report has been gathered from sources that the company believes to be reliable, we have not verified independently whether it is inaccurate or incomplete. There is no responsibility on the company for any losses arising directly or indirectly from this information.

